



DISCLOSURE FOR  
PERSONAL ACCOUNTS



**Thank you for choosing Hanscom Federal Credit Union!**

The Disclosure for Personal Accounts (collectively referred to as this “Agreement”) contains the rules for your membership and personal accounts at Hanscom Federal Credit Union (HFCU). This Agreement covers many of the features and services available for your accounts, including Electronic Funds Transfer Services, Automated Teller Machines (ATMs) and Debit Cards.

**This Agreement does not govern Member Business Accounts.**

HFCU offers certain deposit-related services (such as overdraft protection, online and mobile banking) that are covered by separate agreements. Aspects of your account relationship with us not covered by the rules and regulations in this Agreement or by other agreements between you and us will be governed by our usual banking practices and by applicable law.

**THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION, A CLASS ACTION WAIVER, AND A JURY TRIAL WAIVER. IT IS IMPORTANT THAT YOU READ THE ENTIRE DISPUTE RESOLUTION PROVISION CAREFULLY.**

**TABLE OF CONTENTS**

- I. Important Definitions.....4
- II. Your Account with Us.....4
  - Opening Your Membership.....4
  - Opening Additional Accounts under an Existing Membership.....4
  - Account Ownership and Account Titles .....5
- III. Accessing and Using Your Account.....6
  - Deposits.....6
  - Withdrawals .....7
  - Checks.....7
  - Check Cashing .....8
  - ACH and Wire Transfer .....8
  - Direct Deposits .....8
  - Statements .....9
- IV. Funds Availability Policy .....9
- V. Overdrafts and Discretionary Overdraft Privilege Policy ..... 12
- VI. Electronic Funds Transfers – Your Rights and Responsibilities..... 14
  - Automated Teller Machine, Debit Card, and Point-of-Sale (POS) Transactions..... 16
- VII. Truth In Savings Disclosures ..... 20
  - Rate Information ..... 20
  - Compounding and Crediting ..... 21
  - Dividend Period..... 21
  - Minimum Deposit and Balance Requirements .... 21
  - Daily Balance Computation Method..... 22
  - When Dividends Begin to Accrue..... 22
  - Transaction Limitations on Share Certificate Accounts ..... 22
  - Share Certificates..... 22
- VIII. Other Terms and Conditions Governing Your Account..... 22
  - Our Right to Change This Agreement ..... 22
  - Our Right to Terminate ..... 23
  - Your Duty to Monitor and Protect Your Account.... 23
  - Notices ..... 24
  - Right of Set-Off ..... 25
  - Credit Verification ..... 25
  - No Two-Signature Requirements..... 26
  - Stop Payment ..... 26
  - Pledges..... 27
  - Check Processing ..... 27
  - Legal Actions Affecting Your Account..... 27
  - Instructions Received by Telephone..... 27
  - Monitoring and Recording Telephone Calls..... 28
  - Express Consent for Telephone Calls..... 28
  - Facsimile Signatures ..... 28
- IX. Dispute Resolution (including Arbitration, Class Action Waiver, and Jury Trial Waiver)..... 28
- X. Consumer Protection Information..... 34
  - How to Contact Us ..... 34
  - Safeguarding Your Account..... 34
  - ATM/Night Deposit Facility User Precautions ..... 34

## I. Important Definitions

Throughout this document, “Agreement” refers to this Disclosure for Personal Accounts and any related attachments and amendments.

“You” and “your” refer to a member who has an account with us for personal, family, or household purposes.

“We,” “us,” “our,” and “HFCU” refer to Hanscom Federal Credit Union.

“Business Days” refers to all days except Saturdays, Sundays, and federal holidays.

“Cutoff Times” refers to the time on a business day after which any transactions or other activity is considered to have occurred on the next business day.

## II. Your Account with Us

### Opening Your Membership

You can open an HFCU membership online or in person at any HFCU branch, or through any other channel we make available over time. Memberships may also be opened through a partnership with select car dealerships in relationship to a loan used for the purchase of a vehicle from that dealership. When you open a membership, you agree to be bound by the rules and regulations in this Agreement. You should retain a copy of this Agreement and all amendments for your records.

Your membership includes a Share account. You must complete payment of one share (\$25.00) and maintain this balance in your Prime Share Savings account as a condition of admission to and continuation of membership. The par value of a share in this account is \$25.00.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

**What this means for you:** When you open your membership, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver’s license or other identifying documents.

### Opening Additional Accounts under an Existing Membership

After a membership is opened, members may open additional accounts online, over the phone, or in person at any HFCU branch, or through other

channels we make available over time. When opening an additional account under an existing membership, you agree to provide and/or validate any identifying documents or information that we require to identify you.

### Account Ownership and Account Titles

These rules apply to this account based on the form of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

#### Individual Account

An Individual Account is an account in the name of one person.

#### Joint Account - With Survivorship (And Not as Tenants In Common)

A Joint Account is an account in the name of two or more persons. Each of you intend that when you die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with survivorship and not as tenants in common.

#### Revocable Trust Account

One or two of you (called trustees) may create such an account in trust for another. Payments may be made to the trustee, or if there are two trustees, to either or both of the trustees or the survivor. Upon the death of the trustee or the death of both trustees, payment may be made to the person for whom the trust was made, or that person’s legal representative.

#### Authorized Signer

A single individual is the owner. The authorized signer is merely designated to conduct transactions on the owner’s behalf. The owner does not give up any rights to act on the account, and the authorized signer may not in any manner affect the rights of the owner or beneficiaries, if any, other than by withdrawing funds from the account. The owner is responsible for any transactions of the authorized signer. We undertake no obligation to monitor transactions to determine that they are on the owner’s behalf.

You may terminate the authorization at any time, and the authorization is automatically terminated by the death of the owner. However, we may continue to honor the transactions of the authorized signer until: (a) we have received written notice or have actual knowledge of

the termination of authority, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept the designation of an authorized signer.

### **Fiduciary Accounts**

Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders.

You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

### **Address or Name Changes**

You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders.

Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

## **III. Accessing and Using Your Account**

### **Deposits**

You can make deposits to any of your personal accounts by mail or in person at a branch office or through other methods we may also make available for your convenience. We have the right to supply missing indorsements on any noncash items submitted for deposit to your account and to deposit them in your account. We also have the right to limit, refuse, or return any item. We have the right to charge back your account if we have given you credit for an item that is returned to us unpaid. You authorize us to attempt to collect previously returned items without giving you notice.

We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of

indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned.

Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. If you deliver a deposit to us and you will not be present when the deposit is counted, you must provide us an itemized list of the deposit (deposit slip). To process the deposit, we will verify and record the deposit, and credit the deposit to the account. If there are any discrepancies between the amounts shown on the itemized list of the deposit and the amount we determine to be the actual deposit, we will notify you of the discrepancy. You will be entitled to credit only for the actual deposit as determined by us, regardless of what is stated on the itemized deposit slip.

### **Withdrawals**

The rules for making withdrawals vary according to the type of account you have. Withdrawals from any of your personal deposit accounts can be made at any of our branch offices. We may also make other methods of withdrawal available to you for your convenience. As required by federal regulations, we reserve the right to ask for seven (7) calendar days' written notice before you withdraw money from any account that may earn a dividend. Any request for a withdrawal that exceeds the available balance in your account would constitute an "overdraft" and will be governed by the provisions relating to Overdrafts outlined in this Agreement.

### **Checks**

You agree that we may pay checks drawn on your account that are presented to us for payment, regardless of the date of the check, including postdated checks. We may pay checks that are presented more than six (6) months after the date of the check and are not subject to a current stop payment order, but we are not obligated to do so.

If you use a check to withdraw money from your account, the check must be on a preprinted form that we have supplied to you or on a form that meets our check encoding standards. We will not be required to accept checks that do not meet these standards. We will not be bound by or obligated to comply with any notation, memorandum or restrictive indorsement on a check unless we have agreed in advance to do so. You promise to notify us immediately if any check is not delivered or is lost or stolen. All items must be endorsed exactly as drawn. You will be liable for any losses or delays caused by nonconforming endorsements or by other marks on the back of

a check that make our indorsement or any other institution's indorsement difficult to read.

## Check Cashing

We may charge a fee for anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint. You agree that we may refuse to cash a check and such refusal will not constitute wrongful dishonor of your check.

## ACH and Wire Transfer

This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

## Direct Deposits

If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

## Statements

We send statements for all accounts. Your statement will be sent monthly or quarterly, depending on the type of account you have and the services you use. We will send your statements to the address we have for you in our records, unless you have requested and we have approved another means of delivery. If any statement is returned to us because of an incorrect or otherwise undeliverable address, we may stop sending statements to you until you provide a correct and deliverable address.

## IV. Funds Availability Policy

This policy applies to all transaction accounts and share savings accounts. Our funds availability policy complies with all federal regulations and, in some cases, gives you availability of funds from your accounts sooner than is required by law.

Timing of funds availability varies based on the category of deposited item received and the channel through which it was received and is counted in business days from the day we receive your deposit. Before funds from a deposit are made available, you may not withdraw the funds in cash and we are not required to use the funds to pay checks that you have written or to satisfy any other type of debit.

Our general funds availability schedule is as follows:

### Immediate Availability

Funds from the following deposits will be available immediately upon receipt of the deposit:

- Cash.
- U.S. Treasury Checks that are payable to you.
- Wire transfers.
- Checks drawn on us.
- State and local government checks that are payable to you.
- Cashier's, certified and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders that are payable to you.
- Your own personal checks up to \$300.00.
- Commercial and second party personal checks up to a total of \$300.00 that are payable to you.
- Payroll checks that are payable to you.
- Electronic direct deposits.

### Next Business Day Availability

Any deposited items categorized as an Immediate Availability item that is not deposited in person to one of our employees (for example, if you use an ATM) will be available on the second business day after the day we receive your deposit.

## **Other Check Deposits Subject to Second-Day Availability**

All other checks not otherwise designated in the Immediate Availability or Next Day Availability sections of this Agreement will be made available as follows:

- The first \$225 will be available on the first business day after the day of your deposit.
- The remaining funds will be available on the second business day after the day of your deposits.

The act of making funds available for your use does not mean the deposited items have been collected and paid. In the event that a deposited item or electronic deposit is returned unpaid, we are entitled to debit your account for the amount of the returned item and you are responsible for any unpaid transactions and fees that may result from problems involving your deposit.

## **Deposits at Automated Teller Machines**

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we own or operate will be available on the second business day after the day of deposit, except that U.S. Treasury checks that are payable to you will be available on the first business day after the day of deposit. Also, the first \$225 of a deposit will be available on the first business day after the day of deposit. Checks drawn on Hanscom Federal Credit Union will be available on the first business day after the day of deposit if the deposit is made at an ATM located on our premises.

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the third business day after the day of your deposit.

## **Special Provisions for New Accounts**

If you are a new member, the following special provisions may apply during the first thirty (30) calendar days following the opening of your membership.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person

to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the eleventh business day after the day of your deposit.

## **Longer Delays May Apply**

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe that a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons and we will tell you when the funds will be available. They will generally be available to you no later than seven (7) business days after the day of your deposit, however, longer delays may apply. Please ask if you need to be sure about when a particular deposit will be available for withdrawal.

## **Holds Against Funds in Your Account**

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

A temporary debit authorization hold may affect your account's available balance. On debit card purchases, a merchant may request a temporary hold on your account that may exceed the amount of your purchase. When this happens, we cannot determine that the amount of the hold exceeds the actual amount of your purchase. This temporary hold, and the amount charged to your account, will be adjusted to the actual amount of your purchase based on the timing dictated by the merchant. Until the adjustment is made, the

amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold.

## V. Overdrafts and Discretionary Overdraft Privilege Policy

A request for a withdrawal of any kind that exceeds the available balance in your account at the time that the withdrawal is processed is deemed to be an "overdraft" and is governed by the provisions in this section. You agree that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that exceed the available balance does not obligate us to do so later. It is not incumbent on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you.

You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. We will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

### Overdraft Privilege

Overdraft privilege is available to you if your account has been open for at least thirty (30) days, and thereafter you maintain your account in good standing, which includes at least:

- a) Making regular deposits consistent with your past practices;
- b) Depositing an amount equal to the amount of discretionary courtesy overdraft extended to you or more in your account within each thirty (30) day period and bringing your account balance to a positive balance within every thirty-five (35) day period;
- c) Not being in default on any loan or other obligation to us and not being subject to any legal or administrative order or levy.

We will consider, as a discretionary courtesy and not a right or obligation, approving your reasonable overdrafts. This remains only a discretionary courtesy, and can cease at any time without prior notice of reason or cause. This privilege for checking accounts will generally be limited to a maximum of \$1,000.00 overdraft

(negative) balances. A non-sufficient funds fee, as described in our Account Fee Schedule, may be imposed on each check, pre-authorized debit, or in-person withdrawal. More than one non-sufficient funds fee may be charged against your account per day, depending on the number of checks presented on, and other withdrawals made from your account. Transactions may not be processed in the order in which they occurred. The order in which transactions are received by the credit union and processed may affect the total amount of non-sufficient fees incurred. Any and all fees and charges, including without limitation the nonsufficient funds fees, as set forth in our Account Fee Schedule; will be included in the maximum daily limit of \$1,000.00.

The total of the discretionary courtesy overdraft (negative) balance, including any and all fees and charges, including all nonsufficient funds/overdraft fees, is due and payable upon demand, and you will continue to be liable for all such amounts.

If you do not wish to have an overdraft transaction paid, you can request that your account be removed from discretionary overdraft privilege.

To opt out of discretionary overdraft privilege, contact us as outlined in the section 'How to Contact Us' and inform us of your wish to be removed from discretionary overdraft privilege.

We are not obligated to pay any item presented for payment if the item exceeds the available balance in your account. Any discretionary payment (or other negotiation or processing) by us of any non-sufficient fund check or checks (or other item) does not obligate us to pay any additional non-sufficient fund check or item or to provide prior notice of its decision to refuse to pay any additional nonsufficient fund check or item.

You agree that we may charge a Non-Sufficient Funds (NSF) fee for returning or rejecting transactions presented against your account that would exceed the available balance in your account. You further agree that we may charge an NSF fee each time a transaction is presented or submitted for payment even if the same transaction is presented for payment multiple times. For example, if you wrote a check to a merchant (or other individual or entity) who submitted the check to us for payment and we returned the check (resulting in an NSF fee), the merchant may re-present the check for payment again (or may convert the check into an ACH debit and submit the transaction for payment). If the second and any subsequent presentations or submissions are returned unpaid, we may charge a fee for each time we return or reject the transaction. You understand this means you could be charged multiple fees for one check that you wrote as that check could be presented (including as an ACH debit) and returned more than once.

Similarly, if you authorize a merchant (or other individual or entity) to electronically debit your account, such as an ACH debit, you understand there could be multiple submissions of the electronic request which could result in multiple fees. You agree that the Credit Union does determine whether and when a transaction will be presented or submitted for payment. Rather, the Credit Union determines whether or not the available balance is sufficient to pay a presented or submitted transaction.

## VI. Electronic Funds Transfers – Your Rights and Responsibilities

You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check or draft to an electronic fund transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and credit union information. This information can be found on your check or draft as well as on a deposit or withdrawal slip. Thus, you should only provide your credit union and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers.

Examples of these transfers include, but are not limited to:

- Preauthorized credits. You may make arrangements for certain direct deposits to be accepted into your checking or share savings account(s).
- Preauthorized payments. You may make arrangements to pay certain recurring bills from your checking or share savings account(s).
- Electronic check or draft conversion. You may authorize a merchant or other payee to make a one-time electronic payment from your checking or share draft account using information from your check or draft to pay for purchases or pay bills.
- Electronic returned check or draft charge. You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.

You may also use our telephone transfer service to transfer money between any of your savings, checking or money market accounts, and make payments on your loans, mortgage, or credit lines.

### Notice of Receipt of ACH Items

Under the operating rules of the National Automated Clearing House Association (NACHA) that are applicable to ACH transactions involving your account, we are not required to give next-day notice to you of receipt of an ACH item, and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you. NACHA requires receiving depository institutions to perform additional handling of electronic deposits or electronic payments originated from or through another country, which may cause posting delays.

### Provisional Payment

Credit given by us to you with respect to an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you the amount of such entry.

### Periodic Statements

You will receive an account statement for each monthly statement period during which there is an electronic payment or deposit or a telephone transfer involving your account. Otherwise, you will receive an account statement at least quarterly.

### Preauthorized Payments: Right to Stop Payments

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in the How to Contact Us section of this Agreement in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

Please refer to the Account Fee Schedule for the amount we will charge you for each stop payment order you give.

### Preauthorized Payments: Notice of Varying Amounts

If these regular payments may vary in amount, the



person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

### **Preauthorized Payments: Liability for Failure to Stop Payment**

If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

### **Automated Teller Machine, Debit Card, and Point-of-Sale (POS) Transactions**

This section explains how to use your Hanscom Federal Credit Union ATM or Hanscom Federal Credit Union Debit Card and sets forth your rights and responsibilities with respect to those cards. The term "Card" is used to refer to both types of cards.

#### **ATMs**

You may use your Card at the following ATMs:

- All ATMs in our branch offices or ATMs that display our name ("Our ATMs")
- Other ATMs that participate in the same networks as us ("Other ATMs")

The types of transactions you can perform at an ATM will depend on the ATM that you are using. You can perform all of the following types of transactions at most of ATMs, but some of these transactions may not be available at Other ATMs.

- Cash withdrawals
- Transfers between designated accounts
- Balance inquiries
- Deposits into a Designated Account

Deposits can be made at select Hanscom FCU machines and select partner Network machine.

#### **Point-of-Sale Transactions**

There are two types of Point-of-Sale (POS) transactions:

- PIN transactions - transactions made at a merchant with your card when you enter your PIN.
- Non-PIN Transactions - transactions made at a merchant with your card in which you do not enter your PIN. When in person, you may be required to sign a receipt to conduct a Non-PIN transaction.

Typically, a POS transaction for which you enter

a PIN will be processed on a PIN-based network and a POS transaction for which you sign a receipt will be processed on a signature-based network. However, in some cases, merchants may use PIN-based networks for signature transactions and signature-based networks for PIN transactions. ATM and POS transactions are debited from your daily limits and your available balance based on the authorization request received from the merchant and the final amount is posted to your account when the transaction has cleared.

#### **Limits on ATM and POS Transactions**

The following daily transaction and dollar limits apply:

**ATM Withdrawals** - \$500.00 per day

**Point-of-Sale Transactions** - \$2,500.00 per day

#### **Stopping POS or ATM Transactions**

**UNLESS OTHERWISE PROVIDED IN THIS AGREEMENT, YOU MAY NOT STOP PAYMENT OF ELECTRONIC FUNDS TRANSFERS, INCLUDING POS AND ATM TRANSACTIONS. THEREFORE, YOU SHOULD NOT EMPLOY ELECTRONIC ACCESS FOR PURCHASES OR SERVICES UNLESS YOU ARE SATISFIED THAT YOU WILL NOT NEED TO STOP PAYMENT.**

#### **Fees**

See the Account Fee Schedule for ATM and POS transactions.

When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a monetary transaction). You understand and agree that the ATM operator may charge you multiple fees for multiple transactions (for example, a fee for a balance inquiry and a fee for a withdrawal) during the same ATM session.

#### **Currency Conversion and Cross-Border Transaction Fees**

If you effect a transaction with your ATM & Check Card in a currency other than US Dollars, Mastercard® will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by Mastercard. The exchange rate Mastercard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account.

Mastercard charges us a Currency Conversion Assessment and an Issuer Cross-Border

Assessment on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee and a Cross-Border Transaction fee as defined in the Account Fee Schedule.

### **Receipts and Account Statements**

You will receive a receipt for transactions made with your card, if you so choose. However, receipts are not required to be provided for transactions of \$15 or less. You will also receive an account statement for each monthly period during which there is an ATM or POS transaction involving your account, unless the statements are returned because of an incorrect address. Otherwise, you will receive an account statement at least quarterly. If you are not receiving statements regularly, you may contact us at 800-656-4328.

### **Proof of Transfer**

Any documentation provided to you that indicates that an electronic fund transfer transaction was made shall be admissible as evidence of the transaction and shall constitute prima facie proof that the transaction occurred.

### **In Case of Errors or Questions about Your ATM and POS Transactions**

Telephone or write to us promptly at the telephone number or address listed under "How to Contact Us" in this Agreement if you think your statement or transaction slip is wrong, or if you need more information about an ATM or POS transaction listed on the statement or transaction slip. We must hear from you no later than 60 calendar days after we sent you the first statement on which the problem or error appeared.

- Tell us your name, member number and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount and date of the suspected error.

If the report is made orally, we may require that you send the complaint or question in writing within 10 business days following the date you notified us. We will tell you the results of our investigation within 10 business days and will correct any error within 1 business day after a determination that an error occurred. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or question following the date you notified us. If we decide to do this, we will provisionally credit your account within 10 business days following the date you notified us, for the amount you think is in error, so that you will have the use

of your money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we might not provisionally credit your account. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 calendar days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error. We will tell you the results within 3 business days after completing our investigation. If we determine that there was no error, we will send you a written explanation and debit the amount of the provisional credit. You may, at no cost, examine and inspect all documents that we used in our investigation. You may also, for a reasonable fee to cover our photocopying costs, ask for copies of the documents that we used in our investigation. If your question or error involves a transfer or payment to a third party, our investigation will generally be limited to a review of our own records. (These rights apply to transactions involving any deposit account. You have different rights concerning errors that only involve transactions directly to or from your overdraft line of credit.)

### **Liability for Unauthorized Transactions**

You will be liable for unauthorized use of your card and PIN at an ATM or for POS purchases to the extent allowed by applicable federal and state laws and this Agreement. Tell us immediately if you believe your card and PIN, or either one of them, has been lost, stolen, or used without your permission. Telephoning is the best way to limit your possible losses. If someone uses your card or PIN without your permission for a transaction from which you receive no benefit, you could lose the amount of the unauthorized transaction or \$50, whichever is less. Your loss may be covered if Mastercard® Zero Liability Protection applies. Telephone or write to us at the telephone number or address listed under "How to Contact Us" in this Agreement. You should tell us immediately if your statement shows transfers that you did not make. If you do not tell us within 60 calendar days after the first statement on which the error occurred was mailed to you, you may not get back any money you lost after the 60 calendar days if we can prove that we could have stopped someone from taking the money if you had told us in time. If extenuating circumstances (such as a long trip or hospital stay) kept you from telling us, we may, at our discretion, reasonably extend the time period beyond 60 calendar days.

If you believe your Card or PIN has been lost or stolen, telephone or write to us promptly at the telephone number or address listed under "How to Contact Us" in this Agreement. You should also call the number or write to us if you believe

a transfer has been made using the information from your check without your permission.

## Confidentiality

We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers;
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- In order to comply with government agency or court orders;
- If you give us your written permission; and
- As outlined in our Privacy Policy.

## Our Liability

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, the available balance in your account was insufficient to make the transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the ATM where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

## Advisory Against Illegal Use

You agree not to use your card for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

## VII. Truth In Savings Disclosures

### Rate Information

The dividend rates (at which a dividend is paid on the principal balance) and the annual percentage yields (at which an account would earn a dividend over its term or, if no fixed term is applicable to the account, over a one-year (1-year) period if the stated dividend rate remained in effect and all dividends paid on the account were left in the account) are shown on a separate document that

we provide to you at account opening. Current rates are also always available online at [www.hfcu.org](http://www.hfcu.org) or at any of our branch locations.

The dividend rate and annual percentage yield may change every month, except the rates for Fixed Rate Share Certificate accounts, which are fixed for the term of the deposit on the date of deposit. We may change the dividend rate for your account as determined by the credit union board of directors. For accounts other than Share Certificates, dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

### Compounding and Crediting

Dividends will be compounded and credited monthly.

### Dividend Period

The dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividend rates are declared on the first day of the dividend period in which they will be paid. If you close your account before dividends are paid, you may not receive any accrued, unpaid dividends.

### Minimum Deposit and Balance Requirements

There are three (3) minimums that are important for each type of account:

- The minimum deposit required to open the account.
- The minimum balance required to earn dividends at the stated annual percentage yield.
- The minimum balance required to waive the monthly maintenance fee, if any is applicable to the account.

On tiered-rate accounts, the rate at which we pay dividends (and, therefore, the APY) changes based on the balance of the account. The minimum balance required to qualify for each tier is disclosed on a separate document that we provide to you at account opening. Current rates are also always available online at [www.hfcu.org](http://www.hfcu.org) or at any of our branch locations.

The minimum balance required to waive a monthly maintenance fee may be a daily balance, a combined daily balance, or an average daily balance, as disclosed for each account in our Personal Deposit Account Fees disclosure.

## Daily Balance Computation Method

Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

## When Dividends Begin to Accrue

Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

## Transaction Limitations on Share Certificate Accounts

Unless expressly permitted under the terms of the certificate, no deposits are permitted after the initial deposit except at time of renewal. Withdrawals may be subject to penalties.

## Share Certificates

### Maturity Date

The term and maturity date of a Share Certificate, if any, are shown on a separate document that we have provided to you. If you are opening a Share Certificate, the maturity date is also shown.

### Withdrawals Before Maturity

A penalty may be imposed for withdrawals before maturity.

- If your account has an original maturity of one year or less: The penalty we may impose will equal 90 days dividends on the amount withdrawn subject to penalty.
- If your account has an original maturity of more than one year: The penalty we may impose will equal 180 days dividends on the amount withdrawn subject to penalty.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

## VIII. Other Terms and Conditions Governing Your Account

### Our Right to Change This Agreement

We can change our bylaws or the rules or any of our agreements with you at any time. If we change the rules on the frequency of compounding or crediting dividends, grace periods, or minimum balance requirements, or if we change any of our fees, charges, or penalties that we are required to include in this Agreement by applicable law and

the change is unfavorable to you, we will send you a notice in writing or by any other method permitted by law at least 30 calendar days before the change becomes effective for your account. We do not have to notify you in advance, however, if the change is necessary for security reasons or if the change is favorable to you.

During the term of a Share Certificate Account, we will not change the rules on the frequency of compounding or crediting dividends, the minimum balance requirements that apply to the account, or the rate of dividend or annual percentage yield (unless you have been notified that the account is subject to a variable rate of dividends). If we change any of the other information that we are required to include in this brochure by applicable law, we will either send you a notice or post a notice in our main office and in all our branches. If there is a conflict between any of the information in this brochure and something said by one of our employees, the terms of this Agreement will control. You agree to this method of settling any differences. No waiver by us of any term of our Agreement with you on any one occasion will constitute a waiver of such term on any other occasion.

If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

### Our Right to Terminate

We may close your account if your membership in the credit union terminates, or by giving reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items and charges to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the account closure becomes effective. At our option, we may suspend your rights to member services if you violate the terms of this agreement.

### Your Duty to Monitor and Protect Your Account

You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care

and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you. You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error – such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours. Please refer to the Electronic Funds Transfers section of this Agreement to determine your notification obligations in the event of unauthorized electronic fund transfers or other errors in connection with such transfers.

## Notices

Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file or at the time an electronic message is sent to your e-mail address on file.

To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

## Right of Set-Off

If you ever owe us money and it is due, we may, to the extent we have a right under the law or under an agreement with you, use the money from any of your accounts with us (including joint accounts) to pay the debt, even if withdrawing the money results in an interest penalty to you. If your joint account holder owes us money and it is due, we may also use the money from your joint account to pay the debt. The use of your funds to pay a debt owed by you or your joint account holder is referred to as our right of “set-off.” Any garnishment or levy against your account is subject to our right of set-off within applicable laws.

In addition to these contract rights, we may also have rights under a “statutory lien.” A “lien” on property is a creditor’s right to obtain ownership of the property in the event a debtor defaults on a debt. A “statutory lien” is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

Neither our contract rights nor rights under a statutory lien apply to this account if prohibited by law. For example, neither our contract rights nor rights under a statutory lien apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor’s right of withdrawal arises only in a representative capacity, or (d) setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

## Credit Verification

You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

You authorize us to request and obtain consumer reports from consumer reporting agencies

and other information about you from third parties (including without limitation, information concerning your employment, salary, assets, debts, and references) that we believe is helpful to determine your eligibility to open or maintain account or services, or for any other legitimate business purpose.

## No Two-Signature Requirements

We do not offer accounts on which two (2) or more signatures are required for a check or withdrawal. If you indicate on your checks or signature card or other account documents that more than one (1) signature is required for withdrawal, this indication is for your own use and is not binding on us. We may pay out funds from your account if the check, item, or other withdrawal instruction is signed or approved by any one of the persons authorized to sign on the account. We are not liable to you if we do this.

## Stop Payment

We may accept an order to stop payment on any item from any one of you. You must make any stop payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before the item is presented. Your stop payment order must provide us with sufficient information to identify the appropriate item through an automated means, minimally the account number and check number. If the information that you give us is not correct, or if you do not give us any other reasonable information that we ask for about the check or debit, or if you do not give us the information within a reasonable time before the check or debit is presented, we will not be responsible if we are not able to stop it. You may stop payment on any item drawn on your account whether you sign the item or not.

Stop payment orders that you provide in writing are effective for six (6) months. Your order will lapse after that time if you do not renew the order in writing before the end of this period. Stop payment orders received orally will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop payment order expires. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to

enforce payment against you despite the stop-payment order.

We are not obligated to accept a stop payment order on any cashier's check, treasurer's check, certified check, or money order. If we agree to do so, we may first require you to post a surety bond indemnifying us for any potential damages and/or file a declaration of loss in any form we reasonably request.

## Pledges

Each owner of this account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account beneficiary become effective.

## Check Processing

We use automated systems in the processing of checks in order to handle a high volume of items at the lowest possible cost to you. You agree that, to the extent such systems are comparable to those used in general banking practice, their use will constitute ordinary care, and we will not be liable to you for forgeries or alterations not detected by such systems. You also agree that the exercise of ordinary care will not include detecting forgeries or alterations that could not be detected by an ordinary person acting with reasonable care.

## Legal Actions Affecting Your Account

If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if the available balance is insufficient to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

## Instructions Received by Telephone

Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

## Monitoring and Recording Telephone Calls

Subject to federal and state law, we may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording.

## Express Consent for Telephone Calls

Any time you provide us with a telephone number (including for a landline, cellular, VOIP, or any other form of telephone device), you are expressly consenting that we may use that number to contact you and that we may allow service providers who assist us in providing account services to you to use that number to contact you. We may contact you by any method, including voice call, autodialed call, prerecorded call, text messages, and other methods, even if you may incur charges from your phone provider when we do. We may contact you about any account or service you have with us.

You represent that you have the right to grant consent to use your contact information as stated in this paragraph. You may revoke your consent to be called by us by contacting us in any of the ways listed in the 'How to Contact Us' section of this Agreement. However, certain services can be offered only if we can call you. We may close your account or terminate individual services if we do not have a current number at which we are authorized to call you.

## Facsimile Signatures

Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

## IX Dispute Resolution (including Arbitration, Class Action Waiver, and Jury Trial Waiver)

RESOLUTION OF DISPUTES BY ARBITRATION (this "Clause" or this "Arbitration Clause"): THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED

BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

### Agreement to Arbitrate Disputes

Either You or We may elect, without the other's consent, to require that any dispute between us concerning Your Accounts and the services related to your Accounts be resolved by binding arbitration, except for those disputes specifically excluded below.

### No Class Action or Joinder of Parties

YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

### Disputes Covered by Arbitration

YOU ACKNOWLEDGE THAT IN ARBITRATION THERE WILL BE NO RIGHT TO A JURY TRIAL. Any claim or dispute relating to or arising out of Your Accounts or our relationship will be subject to arbitration, regardless of whether that dispute arose before or after your receipt of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to the enforceability or interpretation of this Clause. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this Clause in the broadest way the law will allow it to be enforced.

All disputes are subject to arbitration, no matter what legal theory they are based on, or what remedy (damages, or injunctive or declaratory relief) they seek. Disputes include any unresolved claims concerning any services relating to Your Accounts. Disputes include not only claims made directly by You, but also made by anyone connected with You or claiming through You, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Credit Union, but also its parent, affiliates, successors, assignees, employees, and agents, and claims for which We may be directly or indirectly liable, even if We are not properly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable ground, and include claims asserted as counterclaims, cross-claims, third-party claims, interpleaders or otherwise; and claims made independently or with other claims. If party initiates a proceeding in court regarding a claim or dispute which is included under this Clause, the other party may elect to proceed in arbitration pursuant to this Clause.

### **Disputes Excluded from Arbitration**

Disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this Clause. Claims or disputes arising from your status as a borrower under any loan agreement with the Credit Union are also excluded from this Clause. To remove any doubt, this Clause does not apply to: (i) any consumer credit transaction secured by a dwelling (including a home equity line of credit); or (ii) to any consumer credit obtained while you were a covered borrower as defined by the Military Lending Act.

### **Commencing an Arbitration**

The arbitration must be filed with one of the following neutral arbitration forums and follow its rules and procedures for initiating and pursuing an arbitration: American Arbitration Association or JAMS. If You initiate the arbitration, You must notify Us in writing at:

Hanscom Federal Credit Union  
Compliance Department  
25 Porter Rd  
Littleton, MA 01460

If We initiate the arbitration, We will notify You in writing at Your last known address on file. You

may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting these arbitration forums:

American Arbitration Association  
1-800-778-7879 (toll-free)  
www.adr.org

JAMS  
1-800-352-5267 (toll-free)  
www.jamsadr.com

The arbitration shall be conducted in the same city as the U.S. District Court closest to Your home address, unless the parties agree to a different location in writing.

### **Administration of Arbitration**

The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years experience or a retired or former judge selected in accordance with the rules of the arbitration forum. The arbitrator shall follow procedures and rules of the arbitration forum in effect on the date the arbitration is filed unless those rules and procedures are inconsistent with this Clause, in which case this Clause will prevail. Those provisions and rules may limit the discovery available to You or Us. The arbitrator will take reasonable steps to protect customer account information and other confidential information if requested to do so by you or by us. The arbitrator shall decide the dispute in accordance with applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. Your or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. At Your or Our request, the Arbitrator shall issue a written, reasoned decision following applicable law and relief granted must be relief that could be granted by the court under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

### **Costs**

The party initiating the arbitration shall pay the initial filing fee. If You file the arbitration and an award is rendered in Your favor, We will reimburse



You for Your filing fee. If there is a hearing, We will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, We will advance or reimburse filing and other fees if the arbitrator rules that You cannot afford to pay them or finds other good cause for requiring Us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

### **Right to Resort to Provisional Remedies Preserved**

Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

### **Arbitration Award**

The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

### **Governing Law**

You and we agree that our relationship includes transactions involving interstate commerce and that this Clause is governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the State of Massachusetts shall apply.

### **Severability, Survival**

This Clause shall survive (a) termination or changes to Your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related services. If any portion of this Clause is deemed invalid or unenforceable, the remainder of this Clause shall remain in force. No portion of this Clause may be amended, severed, or waived absent a written agreement between You and Us.

### **Applicability**

Arbitration will not apply to Your Account as long as You are an active duty Service Member.

### **Right to Opt Out of this Resolution of Disputes by Arbitration provision**

YOU MAY CHOOSE TO REJECT THIS RESOLUTION OF DISPUTES BY ARBITRATION PROVISION BY SENDING US WRITTEN NOTICE AS DESCRIBED BELOW:

Agreement to the Resolution of Disputes by Arbitration provision:

1. If you agree to be bound by the above Resolution of Disputes by Arbitration provision, then no action is needed on your part.
2. If you take no action, then effective immediately your Accounts will be bound by this Resolution of Disputes by Arbitration provision.

Rejection of the Resolution of Disputes by Arbitration provision:

1. If you do not agree to be bound by this Resolution of Disputes by Arbitration provision, you must send us a signed, written notice that you reject the Resolution of Disputes by Arbitration provision within 30 days of account opening (or, if this Clause is added to the Disclosure for Personal Accounts after your Account was opened within 30 days after this Clause becomes effective) including the following information:
  - a. Your signed, written notice must include: your name, as listed on your account, your account number, and a statement that you reject the Resolution of Disputes by Arbitration provision, and;
  - b. You must send Your signed, written notice to Us at the following address:

Hanscom Federal Credit Union  
Compliance Department  
25 Porter Rd  
Littleton, MA 01460

## X. Consumer Protection Information

### How to Contact Us

**For written account inquiries or maintenance, write us at our Operations Center:**

Hanscom Federal Credit Union  
25 Porter Rd  
Littleton, MA 01460

**Any other written correspondence may be sent to our Main Office:**

Hanscom Federal Credit Union  
1610 Eglin St  
Hanscom AFB, MA 01731

**Phone:**

800-656-4328

### Safeguarding Your Account

You agree to use care in safeguarding unsigned checks on your account against theft or misuse. You agree to tell us immediately if any such checks are lost, missing, destroyed, or otherwise unaccounted for. You agree not to discuss, compare, or share information about your account with anyone unless you are willing to give them full access to your account.

### ATM/Night Deposit Facility User Precautions

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements or account histories that you receive.
4. Don't lend your ATM card to anyone.
5. Remember, do not leave your card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Protect your ATM card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your ATM card or PIN over the telephone. Never enter your PIN in any ATM that does not look genuine, has

been modified, has a suspicious device attached, or is operating in a suspicious manner. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.

7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. If you lose your ATM card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your card is lost or stolen.
9. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
10. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
11. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your card and leave. You might consider using another ATM or coming back later.
12. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
13. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
14. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

